

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:164

ANSWERED ON:19.11.2001

CLOSER OF OVERSEAS OFFICES BY AIR INDIA

CHANDRA BHUSHAN SINGH;GADDE RAMAMOHAN;M.V.V.S MURTHI;SHIVAJI MANE

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Air India has decided to close their twenty overseas offices and also downsizing the staff employed at other stations;
- (b) if so, the details in this regard;
- (c) the reasons for the same with its impact; and
- (d) the quantum of funds required for making payments to employees who are going to retrenched as a result thereof?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) and (b) :- Yes Sir. Air India decided to close twenty offline stations and review downsizing staff employed at other stations in view of the present scenario in the aviation industry worldwide. The following stations are to be closed down :

USA & Canada region - Boston / Montreal
UK & Europe Region - Manchester/ Stockholm/ Barcelona/
Budapest/Prague/Warsaw/ Belgrade/Lyons/Nice
Africa - Entebbe/Johannesburg/Blantyre/Gabarone
Gulf & Middle East Region - Cairo/Tehran/Beirut
Far East Region - Nagoya/Manila

(c) :- To effect savings by way of salaries which may work out to approximately Rs. 470.25 lacs per annum at offline stations and approximately Rs. 1438.40 lacs per annum at online stations.

(d) Expenditure likely to be incurred on retrenchment of employees would be approximately Rs. 29 crores. This, however, will be a onetime payment like in the case of VRS. The outgo as per the company act will be accounted over a five year period. The figure quoted is approximate.